



Sustainability-Related Disclosures

Coeli Likviditetsstrategi: SFDR Article 8

This document provides information about this fund in relation to the Sustainable Finance Disclosure Regulation (SFDR). The information is required by law to help you understand the sustainability characteristics and/or objectives and risks of this fund. This document should be read in conjunction with other relevant documentation on this fund to help make an informed investment decision.

Summary

The Sub-Fund promotes environmental and social characteristics pursuant to Article 8 of the SFDR but does not have sustainable investment objective and does not currently commit to investing in any “sustainable investment” within the meaning of the SFDR or the Taxonomy Regulation.

The Sub-Fund promotes environmental and social characteristics, in support of, for example, environmental protection and climate change mitigation, human rights and labor standards, and efforts against corruption in all its forms, including extortion and bribery, in line with international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The Sub-Fund seeks to limit and mitigate principal adverse impacts of its portfolio by the promoted environmental and social characteristics. The promotion of environmental and social characteristics is implemented by:

- Excluding certain products, such as alcohol, controversial weapons, fossil fuel, gambling, military equipment, pornography, and tobacco.
- Engaging with and/or excluding certain companies relating to their adherence to international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

The Sub-Fund also considers Principal Adverse Impacts (PAI) on sustainability factors that are relevant to the investment strategy.

The Sub-Fund’s approach to sustainable investments is based on three pillars:

- ESG integration
- Stewardship and engagement, and
- Investment restrictions and exclusions.

To measure the attainment of the environmental or social characteristics, the investment manager utilises third-party research and data. The Sub-Fund is actively managed, and no benchmark has been chosen to measure its attainment of the E/S characteristics promoted.

Sustainability-related disclosures of this fund

Principal Adverse Impacts (PAI)

The Sub-Fund recognizes that an unintended consequence of some of its investments may include levels of adverse impact on broader aspects. Examples of such broader aspects include but are not limited to social and environmental matters, labour and employee matters, respect for human rights, and anti-corruption matters.

The Sub-Fund has established measures within its due diligence procedure and/or investment process, in order identify principal adverse impacts of investment decisions on sustainability factors and seek to address and mitigate them. The Sub-Fund considers

principal adverse impacts on sustainability factors that are relevant to the investment strategy. Relevant indicators are:

- Greenhouse gas emissions
- Exposure to companies active in the fossil fuel sector
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).
- Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

Principal Adverse Impact of investment decisions on sustainability factors are considered both on entity level and on a product level.

Pre-investment, Principal Adverse Impacts on sustainability factors may be implemented as exclusions.

Based on the Investment Manager's knowledge, engagement dialogues are initiated with company management, regulators, interest groups, government representatives or peers, seeking to mitigate sustainability risks and principal adverse impacts.

The Sub-Fund's engagement activities may come in the form of meetings, formal correspondence, participation at conferences, and exchange of information.

The Sub-Fund evaluates the outcome in the Sustainable Investing Committee on a regular basis.

The Investment Manager's approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.

Relevant information on Principal Adverse Impacts on sustainability factors will also be disclosed in due course in the Sub-Fund's annual report.

No sustainable investment objective

The Sub-Fund promotes environmental or social characteristics, but does not have as its objective a sustainable investment

Environmental or social characteristics of the financial product

The Sub-Fund promotes environmental and social characteristics, in support of, for example, environmental protection and climate change mitigation, human rights and labor standards, and efforts against corruption in all its forms, including extortion and bribery. The promotion of environmental and social characteristics is implemented by:

- Excluding certain products, such as alcohol, controversial weapons, fossil fuel, gambling, military equipment, pornography, and tobacco.
- Engaging with and/or excluding certain companies relating to their adherence to international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Investment strategy

The Sub-Fund aims to achieve a competitive return through interest income and capital appreciation by primarily investing in fixed income or fixed income related instruments.

The Sub-Fund's approach to sustainable investments is based on three pillars:

1) ESG integration: The Sub-Fund attaches great importance to thorough analysis in which ESG aspects are considered alongside financial factors in a holistic manner. Examples of

this information include but are not limited to climate change, communities, customers, natural resources, pollution, waste, human resources, and stakeholders.

The Sub-Fund incorporates ESG data and sustainability information into the due diligence and investment process – as appropriate for its strategy and asset class – to identify and manage risks and opportunities in relation to the portfolio and/or underlying holding. Material ESG and sustainability aspects are considered as factors alongside financial factors, in support of making better-informed investment decisions.

2) Stewardship and engagement: The Sub-Fund engages in constructive dialogue with company management, regulators, interest groups, government representatives and peers, seeking to contribute to positive development and change.

The Sub-Fund engages with its portfolio holdings based on prioritized areas where change, improvements, and a positive outcome can be achieved in the portfolio and/or underlying holding.

3) Investment restrictions and exclusions: The Sub-Fund identifies companies with a negative impact on the environment, society, and stakeholders, by excluding banned weapons, fossil fuels, gambling, military equipment, pornography, and tobacco from its investment universe.

The Sub-Fund's Policy for Sustainable Investing sets out a framework and guidelines to assess good governance practice of the investee companies.

The Sub-Fund is guided by international standards and principles to assess good governance and identify potential violators of, for example: The UN Global Compact (UNGC); The OECD Guidelines for Multinational Enterprises and Corporate Governance; and The UN Guiding Principles on Business and Human Rights (UNGP).

Proportion of investments used to meet E/S characteristics

- 50% of the allocation will be aligned with the environmental and/or social characteristics promoted by the Sub-Fund.
- 50% of the total investments are set aside for cash positions, money market instruments and potential derivatives and other eligible assets which do not incorporate any environmental or social characteristic.

Monitoring of E/S characteristics

To ensure that environmental and social characteristics are met throughout the lifecycle of the Sub-Fund, the ESG process above is applied and monitored on an ongoing basis with a regularity of at least once every quarter.

Methodologies

The sustainability indicators used to measure the attainment of the environmental or social characteristics promoted are:

1. The Sub-Fund's weighted Greenhouse gas emission is lower than that of the Sub-Fund's relevant benchmark.
2. 0 % of investments in companies or corporate groups where more than 5 percent of the turnover comes from the extraction of fossil fuels.
3. 0 % exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons).

4. The Sub-Fund avoids investment in companies involved in violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, and where constructive engagement is limited.

Data sources and processing

The Sub-Fund uses a variety of sources such as: Company disclosure, engagement with company management and government representatives; third-party research and data, and other publicly available information such as industry data and news.

Limitations to methodologies and data

The Sub-Fund's methodologies and data depend on the quality of data provided by the portfolio companies, by third parties and other sources. Although the Sub-Fund typically applies thorough assessments, the data provided by the above-mentioned sources may be incomplete, estimated, out of date or otherwise materially inaccurate. As the Sub-Fund relies in part on this data in its investment decision-making, such uncertainty in data collection may negatively impact portfolio performance. The Sub-Fund combines internal and external assessments, to detect incomplete or false data early on and seeks to prevent it from affecting the attainment of the environmental or social characteristics promoted by the Sub-Fund.

Due diligence

Prior to each investment, the Sub-Fund conducts a pre-screening and a due diligence covering ESG aspects alongside financial factors in a holistic manner that is governed by the Sustainable Investing Policy. The ESG due diligence involves an assessment of sustainability risks, principal adverse impacts on sustainability factors and opportunities of investment targets. The information is used to mitigate risk and prioritize areas where we can contribute to improvements and a positive outcome.

Engagement policies

As stated in the Sustainable Investing Policy, which aligns with responsible business codes and internationally recognised standards, the Sub-Fund believes in exercising its rights as shareholders.

The Sub-Fund is engaged in its investments covering a range of sustainability issues that are identified in the due diligence and investment processes. Through the Sub-Fund's knowledge and understanding, the Investment Manager can have constructive dialogues with company management, regulators, interest groups, government representatives or peers, seeking to contribute to positive development and change.

The Sub-Fund invest in publicly listed companies and can exercise its ownership power by voting at general meetings.

Remuneration policy

The remuneration policy stipulates that portfolio managers shall refrain from unnecessary risk-taking linked to sustainability risks as identified in the sustainability policy document. The remuneration policy also prevents Coeli from rewarding portfolio managers for taking risks linked to sustainability.

Designated reference benchmark

The Sub-Fund is actively managed, and no benchmark has been chosen to measure its attainment of the E/S characteristics promoted.